

TITLE 2. FAIR POLITICAL PRACTICES COMMISSION

NOTICE IS HEREBY GIVEN that the Fair Political Practices Commission (the “Commission”), under the authority vested in it under the Political Reform Act (the “Act”)¹ by Section 83112 of the Government Code, proposes to adopt, amend, or repeal regulations in Title 2, Division 6 of the California Code of Regulations. The Commission will consider the proposed regulation at a public hearing on or after **November 12, 2010**, at the offices of the Fair Political Practices Commission, 428 J Street, Suite 800, Sacramento, California, commencing at approximately **10:00 a.m.** Written comments must be received at the Commission offices no later than **5:00 p.m.** on **November 9, 2010**.

BACKGROUND/OVERVIEW:

Senate Bill 1007 (Hancock), currently enrolled and awaiting the Governor’s signature would, among other things, amend the definition of “elective office” (Section 82023) and “elective state officer” (Section 82024) to include elected members of the Board of Administration of the State Teachers’ Retirement Board.² The primary purpose of the bill is as follows:

“This bill would revise the definitions of ‘elective office’ and ‘elective state office’ for purposes of the Political Reform Act of 1974 to include membership on the boards described above and would repeal the provision that exempts from the act candidates for election to those boards, thereby subjecting those candidates, and committees formed or existing primarily to support or oppose those candidates, to the reporting requirements of the act. The bill would further make conforming changes to provisions of the act relating to the reporting of late contributions, the reporting of late independent expenditures, the filing of committee organization statements, and the filing of campaign statements and preelection statements. In addition, the bill would give the Fair Political Practices Commission the authority to adopt regulations to tailor the act’s reporting and disclosure requirements for those candidates and committees consistent with the purposes and provisions of the act.”

One consequence of adding the elected members of the Board of Administration of the State Teachers’ Retirement Board to the definition of “elective state office” is that they are now considered elective state officers for purposes of Section 87200. Pursuant to Sections 87201 -

¹ The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

² Since this bill, if signed by the Governor, will place members of the Board of Administration of the Teachers’ Retirement Board in the same category as officials who file statements of economic interests sooner than now required for Teacher’s Retirement Board Members, the Commission is acting to have this requirement in place in adequate time for these members to be notified of the new requirement. If the Governor does not sign the bill, this amendment will be withdrawn.

87204, persons listed in Section 87200 file candidate, assuming office, annual, and leaving office statements of economic interests. Regulation 18723(b) provides specific dates for filing annual statements of economic interests. It currently provides, in pertinent part:

“(b) The closing date for all persons required to file Statements of Economic Interests pursuant to Government Code Section 87203 shall be December 31. The filing deadlines for the Statements are as follows:

“(1) For the Governor, Lieutenant Governor, Attorney General, Insurance Commissioner, Controller, Secretary of State, Treasurer, Superintendent of Public Instruction, members of the Legislature, members of the State Board of Equalization, judges and commissioners of courts of the judicial branch of government, members of the Public Utilities Commission, members of the State Energy Resources Conservation and Development Commission, members of the Fair Political Practices Commission, members of the California Coastal Commission, and members elected to the Board of Administration of the Public Employees’ Retirement System, the filing deadline shall be March 1.

“(2)

“(3) For “other public officials who manage public investments” as that term is used in Government Code Section 87200, the filing deadline shall be April 1.”

Prior to enactment of the bill, members of the Board of Administration of the State Teachers’ Retirement Board were already considered Section 87200 filers, but as “other public officials who manage public investments” and therefore had a filing deadline of April 1 each year. With the addition of these officials into the definition of “elective state office” they now should file consistent with all other elected state officers. For those officials, they must file by March 1, rather than April 1.

REGULATORY ACTION:

The proposed amendment to Regulation 18723(b) would be to add the phrase “and the Teachers’ Retirement Board” after “members elected to the Board of Administration of the Public Employees’ Retirement System.” The amended sentence would read:

(1) For the Governor, Lieutenant Governor, Attorney General, Insurance Commissioner, Controller, Secretary of State, Treasurer, Superintendent of Public Instruction, members of the Legislature, members of the State Board of Equalization, judges and commissioners of courts of the judicial branch of government, members of the Public Utilities Commission, members of the State Energy Resources Conservation and Development Commission, members of the Fair Political Practices Commission, members of the California Coastal Commission, ~~and~~ members elected to the Board of Administration of the Public Employees’ Retirement System, and members elected to the Board of Administration of the Teachers’ Retirement Board, the filing deadline shall be March 1.

With this amendment, elected members of the Board of Administration of the State Teachers' Retirement Board would be required to file their annual statements of economic interests by March 1.

Please note, the changes necessitated by the bill would impact a variety of other sections in the Act. However, due to the urgency of setting out the revised filing deadline for these officials, this notice pertains only to this regulation at this time.

SCOPE:

The Commission may delete provisions, adopt the language noticed herein, or choose new language to implement its policy.

FISCAL IMPACT STATEMENT:

Fiscal Impact on Local Government. This regulation will have no fiscal impact on any local entity or program.

Fiscal Impact on State Government. This regulation will have no fiscal impact on any state entity or program.

Fiscal Impact on Federal Funding of State Programs. This regulation will have no fiscal impact on the federal funding of any state program or entity.

AUTHORITY: Government Code section 83112 provides that the Fair Political Practices Commission may adopt, amend, and rescind rules and regulations to carry out the purposes and provisions of the Political Reform Act.

REFERENCE: The purpose of those regulations is to implement, interpret, and make specific the procedures for valuing gifts to nonprofit and political fundraisers, consistent with various provisions of the Political Reform Act (Government Code Sections 81000-91014.) Specific Government Code sections implemented, interpreted, or made specific by those regulations are indicated in the "Reference" section at the end of each regulation.

CONTACT: Any inquiries should be made to John W. Wallace, Fair Political Practices Commission, 428 J Street, Suite 800, Sacramento, CA 95814; telephone (916) 322-5660 or 1-866-ASK-FPPC. Proposed regulatory language can be accessed [at](http://www.fppc.ca.gov/index.php?id=247#2) <http://www.fppc.ca.gov/index.php?id=247#2>.

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